



Board Report

File #: 2020-0329, File Type: Resolution

Agenda Number: 12.

Meeting\_Body

**FINANCE, BUDGET AND AUDIT COMMITTEE  
JUNE 17, 2020**

**SUBJECT: TRANSPORTATION DEVELOPMENT ACT (TDA) ARTICLE 8 FUND PROGRAM**

**ACTION: APPROVE RECOMMENDATIONS**

**RECOMMENDATION**

ADOPT:

A. Transportation Development Act (TDA) Article 8, findings and recommended actions (Attachment A) for fiscal year (FY) 2020-21, as follows:

1. In the City of Avalon there are no unmet transit needs that are reasonable to meet, therefore TDA Article 8 funds once approved by the Board through the budget process, may be used for street and road projects, or transit projects, as described in Attachment A;
2. In the Cities of Lancaster and Palmdale, there are no unmet transit needs that are reasonable to meet; in the Cities of Lancaster and Palmdale and the unincorporated portions of North County transit needs can be met through using other existing funding sources. Therefore, the TDA Article 8 funds once approved by the Board through the budget process may be used for street and road purposes and/or transit, as long as their transit needs continue to be met;
3. In the City of Santa Clarita, there are no unmet transit needs that are reasonable to meet; in the City of Santa Clarita, and the unincorporated portions of the Santa Clarita Valley, existing transit needs can be met through the recommended actions using other funding sources. Therefore, the TDA Article 8 funds once approved by the Board through the budget process for the City of Santa Clarita may be used for street and road and/or transit, as long as their transit needs continue to be met;
4. In the Los Angeles County Unincorporated areas of North County, the areas

encompassing both the Antelope Valley and the Santa Clarita Valley, transit needs are met with other funding sources, such as Proposition A and Proposition C Local Return. Therefore, the TDA Article 8 funds once approved by the Board through the budget process may be used for street and road purposes and/or transit, as long as their transit needs continue to be met; and

B. A resolution (Attachment B) making a determination of unmet public transportation needs in the areas of Los Angeles County outside the Metro service area.

## **ISSUE**

State law requires that the Los Angeles County Metropolitan Transportation Authority (LACMTA) make findings regarding unmet transit needs in areas outside Metro's service area. If there are unmet transit needs that are reasonable to meet, then these needs must be met before TDA Article 8 funds may be allocated for street and road purposes.

## **DISCUSSION**

Under the State of California TDA Article 8 statute, state transportation funds are allocated to the portions of Los Angeles County outside Metro's service area. These funds are for "unmet transit needs that may be reasonable to meet". However, if no such needs exist, the funds can be spent for street and road purposes. See Attachment C for a brief summary of the history of TDA Article 8 and definitions of unmet transit needs.

Before allocating TDA Article 8 funds, the Act requires Metro to conduct a public hearing process (Attachment E). If there are determinations that there are unmet transit needs, which are reasonable to meet and we adopt such a finding, then these needs must be met before TDA Article 8 funds can be used for street and road purposes. By law, we must adopt a resolution annually that states our findings regarding unmet transit needs. Attachment B is the FY 2020-21 resolution. The proposed findings and recommendations are based on public testimony (Attachment E) and the recommendations of the Social Service Transportation Advisory Council (SSTAC) and the Hearing Board.

## **POLICY IMPLICATION**

Staff has followed state law in conducting public hearings and obtaining input from the SSTAC regarding unmet transit needs. The SSTAC is comprised of social service providers and other interested parties in the North County areas. Attachment F summarizes the recommendations made and actions taken during FY 2019-20 (for the FY 2020-21 allocation estimates) and Attachment G is the proposed recommendations of the FY 2020-21 SSTAC.

On April 28, 2020, the TDA Article 8 Hearing Board was convened on behalf of the Board of Directors to conduct the required public hearing process. The Hearing Board developed findings and made recommendations for using TDA Article 8 funds based on the input from the SSTAC and

the public hearing process.

Upon transmittal of the Board-adopted findings and documentation of the hearings process to Caltrans Headquarters for their approval and authorization, funds will be released to the eligible jurisdictions upon the Metro Board approval of the FY 2020-21 budget. Delay in adopting the findings, recommendations and the resolution contained in Attachments A and B would result in not meeting the State deadline.

### **DETERMINATION OF SAFETY IMPACT**

Approval of this project will have no impact on Safety.

### **FINANCIAL IMPACT**

This report is seeking approval of the finding, recommendations and the resolution in Attachment B. The allocation of TDA Article 8 funds for FY 2020-21 are approved by the Board through the budget process.

TDA Article 8 funds are state sales tax revenues that state law designates for use by Los Angeles County local jurisdictions outside of Metro's service area. Metro allocates TDA Article 8 funds based on population and disburses them monthly, upon the approval of a jurisdiction's submitted claim form.

### **ALTERNATIVES CONSIDERED**

The Board of Directors could adopt findings or conditions other than those developed in consultation with the Hearing Board, with input from the state required SSTAC (Attachment G) and through the public hearing process. However, this is not recommended because the proposed findings and recommendations made by the SSTAC and adopted by the Hearing Board have been developed through a public hearing process, as described in Attachment D, and in accordance with the TDA statutory requirements.

### **NEXT STEPS**

Upon Caltrans review and approval of the Board-adopted resolution and documentation of the hearing process, and Metro Board approval of the FY21 Budget, TDA Article 8 funds will be allocated to the recipient local jurisdictions.

### **ATTACHMENTS**

- Attachment A - FY21 Proposed Findings and Recommended Actions
- Attachment B - FY 2020-21 TDA Article 8 Resolution
- Attachment C - History of TDA Article 8 and Definitions of Unmet Transit Needs
- Attachment D - TDA Article 8 Public Hearing Process
- Attachment E - FY21 Comment Summary Sheet - TDA Article 8 Unmet Transit Needs Public

Testimony and Written Comments

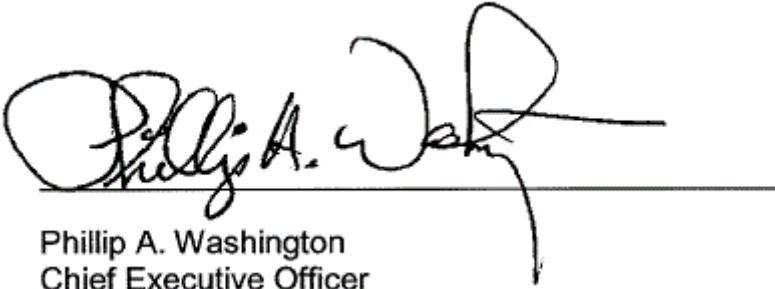
Attachment F - Summary of Recommendations and Actions Taken

Attachment G - Proposed Recommendations of the FY 2020-21 SSTAC

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